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Attorneys for Plaintiffs

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

UNITED STATES FIDELITY AND  
GUARANTY COMPANY, et al.,

Plaintiffs,

v.

THE SCOTT COMPANIES, INC., et al.

Defendants

CASE NO. CV-03-5376-SBA  
CV-06-5590-EMC

**[PROPOSED] ORDER GRANTING  
PLAINTIFFS' MOTION FOR ORDER TO  
SELL SECURITIES TO PARTIALLY  
SATISFY PLAINTIFFS' JUDGMENT  
AGAINST JOSEPH GUGLIELMO**

Hearing Date: January 4, 2011  
Hearing Time: 10:30 a.m.  
Courtroom: C – 15<sup>th</sup> Floor

Plaintiffs United States Fidelity and Guaranty Company, Fidelity and Guaranty Insurance Company, St. Paul Fire and Marine Insurance Company and St. Paul Medical Liability Insurance Company's (collectively, "St. Paul") Motion for Order to Sell Securities to Partially Satisfy Plaintiffs' Judgment Against Joseph Guglielmo ("Motion") came on regularly for hearing before this Court on January 4, 2011 at or about 10:30 a.m. Seth R. Sias, Esq. appeared as attorney for St. Paul, and James Sullivan, Esq. appeared as attorney for Judgment Debtor Joseph Guglielmo ("Guglielmo").

After considering the moving and opposition papers, arguments of counsel and all other matters presented to the court, and good cause appearing therefore, IT IS HEREBY ORDERED THAT St. Paul's Motion is GRANTED IN PART AND DENIED IN PART as follows:

IT IS ORDERED THAT Charles A. Schwab & Co., Inc. ("Schwab") is directed to immediately sell the securities in the order it deems to be most expeditious, and to immediately deliver to St. Paul the proceeds of the sales, along with any cash in the accounts, that are in the two following accounts that Schwab identified in its October 20, 2010 letter, which is attached hereto to as Exhibit 1 ("Schwab Letter"):

2. Schwab account no. ["y"] is a(n) Schwab One® Brokerage Trust Account in the name(s) of J. Guglielmo & A. Guglielmo, Ttee Guggs Family Rev. Liv. Trust and contains \$15,058.11 in securities and \$152.64 in cash. Accordingly, the account net value is \$15,210.75.

3. Schwab account no. ["z"] is a(n) Schwab One® Brokerage Trust Account in the name(s) of J. Guglielmo & A. Guglielmo, Ttee Guggs Family Trust and contains \$21,615.20 in securities and \$10.00 in cash. Accordingly, the account net value is \$21,625.20.

IT IS FURTHER ORDERED THAT St. Paul and Guglielmo meet and confer regarding Guglielmo's need for funds contained in the following account identified in the Schwab Letter:

1. Schwab account no. ["x"] is a(n) Contributory IRA in the name(s) of Joseph A. Guglielmo and contains \$321,904.42 in securities and \$1,796.80 in cash. Accordingly, the account net value is \$323,701.22.

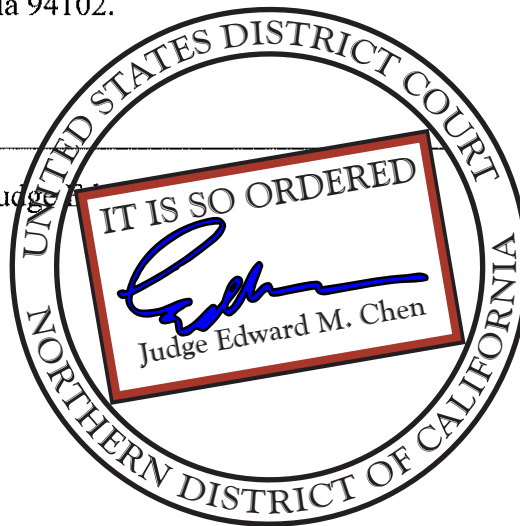
St. Paul may conduct discovery regarding Guglielmo's need for the funds in this account, including by obtaining from Guglielmo documents regarding Guglielmo's financial condition and by performing a deposition of Guglielmo. The parties are to submit further briefing regarding Guglielmo's need for the funds on February 16, 2011.

1 IT IS FURTHER ORDERED THAT there will be a further hearing regarding Plaintiffs'  
2 Motion on February 23, 2011 at 10:30 a.m. in Department C, 15th Floor, U.S. Courthouse, 450  
3 Golden Gate Avenue, San Francisco, California 94102.

4 **IT IS SO ORDERED**

5 Dated: January 11, 2011

6 Judge



## **Exhibit “1”**

*charles* SCHWAB

Office Of Corporate Counsel  
211 Main St, San Francisco, CA 94105-1905  
Tel (877) 243-9263 Fax (888) 368-6355

October 20, 2010

VIA USPS PRIORITY MAIL

U.S. Marshals Service  
District Of Arizona  
401 W. Washington St., #270  
Phoenix, AZ 85003

RE: Joseph Anthony Guglielmo  
Case No. MC 10-86

Dear U.S. Marshals Service:

This letter will acknowledge that Charles Schwab & Co., Inc. ("Schwab") has received the Writ of Execution served in the above referenced matter and we are not required to make an appearance. This letter is Schwab's formal response. If this answer is not sufficient please advise me immediately. The following valuation is as of September 14, 2010.

1. Schwab account no. **REDACTED** is a(n) Contributory IRA in the name(s) of Joseph A. Guglielmo and contains \$321,904.42\* in securities and \$1,796.80 in cash. Accordingly, the account net value is \$323,701.22.
2. Schwab account no. **REDACTED** is a(n) Schwab One® Brokerage Trust Account in the name(s) of J. Guglielmo & A. Guglielmo, Tee Guggs Family Rev. Liv. Trust and contains \$15,058.11\* in securities and \$152.64 in cash. Accordingly, the account net value is \$15,210.75.
3. Schwab account no. **REDACTED** is a(n) Schwab One® Brokerage Trust Account in the name(s) of J. Guglielmo & A. Guglielmo, Tee Guggs Family Trust and contains \$21,615.20\* in securities and \$10.00 in cash. Accordingly, the account net value is \$21,625.20.

The above account(s) have been and will remain restricted. Please advise me what further action, if any, Schwab may be required to take in regards to the account(s).

\*Securities value is subject to daily market fluctuations and the Writ of Execution does not give Schwab the authority to liquidate the securities. To convert the securities into cash a court order directing Schwab to liquidate the securities is required. The court order must address in what sequence the securities should be liquidated.

For the Firm,

*Laura Carnero*

Laura Carnero  
Manager, Office of Corporate Counsel  
Charles Schwab & Co., Inc.

cc: David R. Johnson, Esq.